

**GOVERNMENT OF THE VIRGIN ISLANDS
OF THE
UNITED STATES**

PUBLIC SERVICES COMMISSION

IN RE)	Docket No. 554
)	Order No. <u>19</u>/2012
APPLICATION OF VIRGIN ISLANDS WASTE)	
MANAGEMENT AUTHORITY FOR APPROVAL)	
OF ENVIRONMENTAL USER FEE AND)	
WASTEWATER USER FEE)	
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ORDER

WHEREAS, on November 28, 2007, the Virgin Islands Public Services Commission (hereinafter "PSC" or the "Commission") completed its rate investigation of the Virgin Islands Waste Management Authority (hereinafter, "The Authority" or "WMA") and memorialized its findings in PSC Order 20/2008; and

WHEREAS, in Order No. 20/2008, dated January 30, 2008, there were nine specific conditions imposed on the WMA, with the requirement to submit supplemental information within 18 months. Those conditions were:

2. The Authority's application for the Waste Water User Fee (hereinafter "WUF") is granted, on a temporary basis, for period of eighteen (18) months commencing January 1, 2008. *As a condition for renewal of the WUF beyond June 30, 2009, WMA is required to submit the PSC the following by January 1, 2009:*
 - a. The design of an industrial pre-treatment program, including a listing of the customers to which the program will apply, and a timetable for implementation;
 - b. A report of the steps taken by WMA to validate the Equivalent Residential Units ("ERUs") utilized for non-residential customers, including an evaluation of the flow and strength of wastewater discharged from non-residential property types, as well as an assessment of the unit cost of conveying and treating wastewater with various strength characteristics so that the ERUs utilized for non-residential customers can be cost justified, as well as an explanation of the steps taken to refine the basis for the equivalent units;
 - c. An application for "miscellaneous service" fees (impact fees, industrial pre-treatment program fees, high strength surcharge fees, septic fees, etc.) with a justification for the cost, and reflecting an off-set of the WUF revenue requirements or the General Fund appropriation;

- d. An audit of the WMA with respect to the WUF which includes the amount of WUF collected and the cost of operation of the wastewater system, prepared by an independent certified public accountant;
- e. A report of the steps taken to improve accountability and transparency of wastewater utility costs, which includes budget information on a program by program basis;
- f. A report on the effectiveness and efficiency of wastewater systems operation, including an assessment of the cost effectiveness and efficiency of wastewater operations, identification of processes and programs to reduce the cost of wastewater operations with established targets and benchmarks to assess performance;
- g. A report on the amount of customer-related costs as well as costs that do not vary with the quantity and quality of wastewater discharged, a method for determining and tracking these amounts, and an application for a two-part wastewater fee;
- h. An application which contains a plan to address the hardship on low income customers, including bill assistance, fixed dollar or percentage discounts for qualifying low income customers, bill forgiveness, crisis vouchers, and financial counseling; and
- i. A report which contains a plan to address aging infrastructure, including a prioritization of needed capital improvements demonstrating that funds are being allocated to the most critical issues of regulatory compliance and public health.

WHEREAS, on March 30, 2012, the Virgin Islands Public Services Commission (hereinafter, "PSC" or the "Commission") met in Regular Session at the Port Authority Conference Room located at the Henry Rohlsen Airport on St. Croix, United States Virgin Islands; and

WHEREAS, upon review and deliberation, the Commission extended the time for items 2(b), (d), (e), and (g) for an additional ninety (90) day period from its March 30, 2012 meeting for the Authority to comply with the recommendations in Order No. 20/2008;

NOW THEREFORE, it is hereby **ORDERED** that the Authority is **GRANTED** an extension of time for items 2(b), (d), (e), and (g) for an additional ninety (90) day period from the Commission's March 30, 2012 meeting in order for the Authority to comply with the Hearing Examiner's recommendations in Order No. 20/2008.

So Ordered.

For Commission

Dated: April 50th, 2012



Donald G. Cole, Chair